

Q1 2020

€300m RCF secured including
€200m green component

Two to Four Wilton Park pre-let
to LinkedIn

First Irish property company
to sign UN Principles for
Responsible Investment

€115m purchase of
No. 3 Dublin Landings

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Outlook

With the rapid spread of the COVID-19 pandemic, the first quarter has been dominated by all of us contending with disruptions to our personal and professional lives.

In a very short time, the impact of COVID-19 on all economies and markets has been significant. It is unclear how long and how severe the impact will be, but we remain focused on managing all the factors within our control to protect the health and wellbeing of our people, our occupiers and our wider business.

We are not complacent about the challenges in this period but we are reassured by our current financial strength and portfolio diversification. We have a supportive shareholder base, a strong liquidity position and very low leverage. The majority of our active office development pipeline is pre-let. We have a blue-chip occupier base with strong covenants and a WAULT of 6.8 years.

IPUT has a 50-year track record in real estate investment and we remain long-term oriented. Looking forward, while there are near-term challenges, we expect

Ireland, and Dublin in particular, will remain an attractive destination for FDI over the medium to long-term.

Fundamentally, we also anticipate an even more decisive shift towards responsible investing and sustainability following this pandemic. Across the globe, corporates are being judged on their response to this humanitarian crisis and on the role they play in society. We believe this will enhance the focus on environmental, social and governance (ESG) issues and IPUT remains committed to adopting international best-practice in the investment and management of our assets.

As a long-term investor, we have always understood the importance of purpose and profit and have embedded this in our investment strategy across our operations. We believe the pandemic will bring these conversations to the fore, and while we wish the circumstances were different, it is important to work towards positive long-term change from any crisis.



Pictured: No. 3 Dublin Landings, Dublin 1

Portfolio Overview

Net Asset Value

€2.75bn

Total Shareholder Return in Q1

0.96%

Dividend Yield 12 months to 31/03/2020

4.10%

Q1 Dividend Per Share

€11.00

Portfolio by Asset Mix

98% of portfolio located in Dublin by value



Q1 Highlights

Green revolving credit facility and USPP

This quarter we secured €500 million of additional liquidity to fund the growth of the business. We agreed a €300 million revolving credit facility with Wells Fargo, which includes a €200 million green component, representing the largest green facility in the Irish real estate market. This green component will finance projects which meet a defined set of sustainability criteria under our Green Finance Framework and based on the Green Loan Principles developed by the European Loan Market Association. We also successfully raised €200 million in our inaugural US Private Placement, which was oversubscribed and increased from the original target of €150 million, based on investor demand.

UN Principles for Responsible Investment

We are proud to become the first Irish property company to sign up to the United Nations Principles for Responsible Investment. These principles were developed by an international group of institutional investors, reflecting the increasing relevance of ESG issues to investment practices. By implementing them, we are underlining our commitment to the responsible investment and management of our assets.

Pre-let of entire office estate at Wilton Park

In January, we announced a significant pre-letting of Two to Four Wilton Park to LinkedIn. This means we have now pre-let the entire office component of Wilton Park to the US tech company and this is validation of our strategy to develop world-class mixed-use buildings that can attract leading global companies to our estate. The new agreement is for the remaining 430,000 sq ft of office space at Wilton Park, which has been let on a 25-year lease, with a term certain of 12 years. Construction has commenced on Two and Three Wilton Park and is targeted to complete in 2023. This agreement now fully de-risks the development which, once complete and occupied, will generate annual income in excess of €32 million. The first phase, the 150,000 sq ft One Wilton Park building, was fully pre-let to LinkedIn in 2018.

Dublin Landings acquisition

In early 2020, we completed the acquisition of No. 3 Dublin Landings on Dublin's North Quays from Ballymore/Oxley for €115 million in an off-market transaction. The acquisition is consistent with our focus on prime Grade A offices in Dublin's CBD. Despite the current uncertain market environment, we have had strong initial interest in letting No. 3 following the launch of a marketing campaign in recent weeks.

Performance

Total shareholder return for the quarter was 0.96% and 4.61% for the 12 months to the end of March 2020.

Gross Asset Value

€2.87bn

Occupancy

95.5%

WAULT

6.8 Years

Share Price Information

	31 Dec 2019	31 Mar 2020
Offer Price Per Share	€1,131.15	€1,130.78
NAV Per Share	€1,108.97	€1,108.60
Repurchase Price Per Share	€1,092.34	€1,091.97
Dividend Per Share	€11.50	€11.00
Distribution Date	08/01/2020	07/04/2020

The value of the IPUT portfolio as at 31 March 2020 was €2.87 billion, and as a whole remains in line with the Q4 2019 valuations.

The external valuers (CBRE and JLL) both adopted the RICS valuation material uncertainty clause during the quarter to reflect market uncertainty caused by the global COVID-19 pandemic.

The impact of COVID-19 was reflected in the quarterly valuations with the value of the retail assets adjusted downwards resulting in a reduction of €12.5m across the retail portfolio (a decrease of 2.3%) compared to Q4 2019.

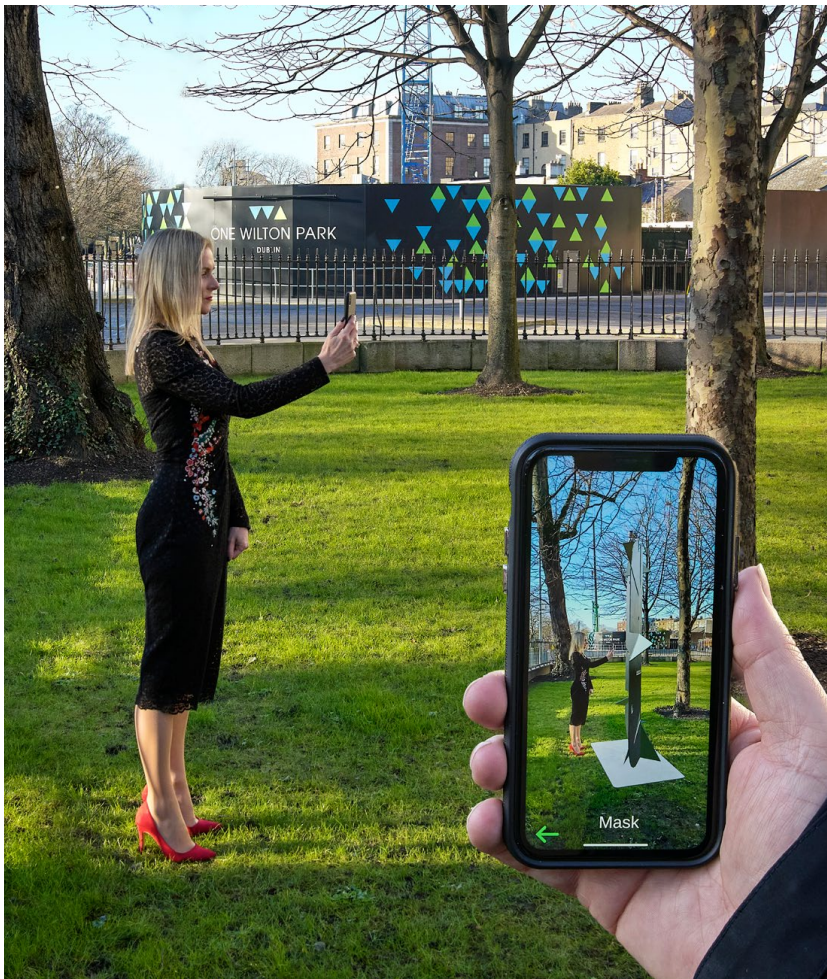
The overall negative impact on portfolio valuations was mitigated by the Fund's prime office and logistics assets which continued to deliver value appreciation due to asset management initiatives and development projects progressing.

The Fund collected €30.7 million of rental income and distributed €27.2 million (€11.00 per share) to investors in the quarter. This reflects a 12-month dividend yield of 4.1% (based on average NAV) to 31 March 2020.



Pictured: Computer generated image of Wilton Park, Dublin 2

Responsibility



Pictured: 'Six Works' launch event in Wilton Park, Dublin 2

Wilton Park community initiatives

In February, we launched the first of many community initiatives in Wilton Park as part of our placemaking strategy. 'Six Works' by Eilis O'Connell was an Augmented Reality Exhibition in collaboration with IPUT and the Royal Hibernian Academy. Using a dedicated Wilton Park application, a life size view of six unique pieces of sculpture created by Eilis O'Connell, can be viewed through the medium of augmented reality via a smart phone and QR code at six different points in the park. We will continue to look at opportunities to invest in placemaking activity in the spaces around our buildings for the benefit of our occupiers and neighbours.

Occupier engagement surveys

We recently analysed the output of our second annual tenant satisfaction survey which included feedback from 165 tenants within our portfolio. Regular feedback from our occupiers is key to understanding how we can improve our building management standards and ensure we continue to adopt and implement international best-practice to meet their needs. We are now acting on feedback received to ensure we further improve our buildings and amenities for our occupiers.

“ Regular feedback from our occupiers is key to understanding how we can improve our building management standards, including ESG performance. ”

Updates

Our development sites were closed on Monday 30 March as part of government measures to counter COVID-19. The progress updates outlined below are predicated on our sites reopening within the next quarter.



Pictured: One Wilton Park, Dublin 2, under construction

One Wilton Park, Dublin 2

We have completed the basement and sub-basement levels with precast cores continuing to rise. With Core 1 complete, we can progress with steel installation for Core 2, which will commence in the second quarter. Practical completion is expected in Q1 of 2021.

Two, Three and Four, Wilton Park, Dublin 2

We have commenced the first phase of demolition on the Lad Lane apartments, which will be followed by the demolition of Wilton Park House. Full demolition is expected to be completed in Q3 2020 to allow piling and excavation works to begin. Two and Three Wilton Park, which comprise 270,000 sq ft of Grade A office space, are expected to be completed in Q1 2023. Gardner House will remain fully income producing until One Wilton Park reaches completion, after which it will be demolished to allow for the construction of Four Wilton Park.

Tropical Fruit Warehouse, Dublin 2

The structural steel frame for the panoramic glass floors overlooking the historic warehouse and River Liffey is two-thirds complete with the glass façade in production for installation over the summer period. The erection of the precast cores will begin in the coming months with the structural steel to follow in late summer. The project remains on track to complete in mid-2021.

Site G, Aerodrome Business Park

We intend to begin the development of this 120,000 sq ft high-bay logistics facility in the second half of 2020. This will be a market-leading warehouse development with 14m eaves height and extensive yard depths ranging from 45m to 75m. It will also have the highest sustainability credentials of any new logistics building in Ireland, with LEED GOLD and BER A3 targeted. Practical completion is expected in 2021.

Transactions and leasing

This quarter, we signed a lease re-gear with IPB Insurance in one of our flagship office buildings, 1 Grand Canal Square, Dublin 2. This deal removed the tenant break option in 2022, which has secured income of €1.3 million per annum for 10 years, boosting overall WAULT in the building and retaining a key occupier within our portfolio.

At M1 Furry Park Industrial Estate, we have signed a strategic lease extension and rent increase with Agility Logistics. This is in line with our aim to actively pursue opportunities to increase WAULT throughout the portfolio and ensure key occupiers are secured for the long term.

We are Ireland's leading commercial property investment company and the largest owner of offices and logistics assets in Dublin. We are a long term investor with a 50-year track record in real estate. We own and manage a portfolio comprising over 5.2 million sq ft, with a net asset value of over €2.75 billion.

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